



**State of Louisiana**  
DIVISION OF ADMINISTRATION

**OFFICE OF STATE UNIFORM PAYROLL**

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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

February 10, 2000

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2000-49

TO: All UPS Agencies

FROM: Ronald S. Mitchell  
Director

SUBJECT: IRS Forms 1099-MISC and 1099-INT

Due to the consolidation to one employer identification number (EIN) for payroll reporting purposes, **OSUP will now prepare IRS Forms 1099-MISC and 1099-INT for the tax year 2000 under the new OSUP EIN when required for payroll related activity.** Form 1099-MISC is required for wages paid on behalf of a deceased employee and Form 1099-INT is required for interest paid to an employee pursuant to backpay awarded under a statute. In order for OSUP to prepare these forms accurately, each agency will be responsible for submitting documentation to OSUP as situations requiring special payroll reporting arise. Until detailed agency procedures and documentation required are developed and distributed, agencies must contact OSUP **before payment is issued** for any situation resulting in a Form 1099-MISC or Form 1099-INT to be reported under the new OSUP EIN.

**Situations requiring Forms 1099-MISC or 1099-INT reported under the OSUP EIN:**

- Wage payments made on behalf of deceased employees  
Wages paid on behalf of a deceased employee follow special tax treatment and employer reporting requirements. When wages are paid after the death of an employee, the payment is taxable income to the payee (which is generally the estate of or beneficiary of the deceased employee). Taxes withheld from such wages vary depending on the nature and timing of the payments.
- Interest paid to an employee as a result of backpay under a statute  
Backpay awarded under a statute is a payment by an employer pursuant to an award, determination, or agreement approved by a court or government agency responsible for enforcing a law that protects an employee's right to employment or wages. Civil Service Commission hearings resulting in backpay are included within this definition. Interest may be awarded as a result of the backpay and is exempt from payroll tax withholding.

Note: Attorney's fees paid pursuant to a backpay award will continue to be an agency responsibility. These payments are reported on Form 1099-MISC through AFS under the agency EIN formally used for payroll reporting. If you have any questions about paying or reporting attorney's fees pursuant to a backpay award, contact Ruth Johnson at the Office of Statewide Reporting and Accounting Policy at (225) 342-1095.

If you have any other questions about the information in this memorandum, contact Debbie Causey at (225) 342-5377 or Stacey Guilbeau at (225) 342-5337.

RSM:DCC/kmb